

The House Committee on Judiciary offers the following substitute to HB 367:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 2 of Chapter 12 of Title 53 of the Official Code of Georgia Annotated,
2 relating to creation and validity of express trusts, so as to provide for oral trust agreements
3 for personal property; to provide for related matters; to repeal conflicting laws; and for other
4 purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Article 2 of Chapter 12 of Title 53 of the Official Code of Georgia Annotated, relating to
8 creation and validity of express trusts, is amended by inserting a new Code section to follow
9 Code Section 53-12-22, relating to the capacity to create an express trust, to read as follows:

10 "53-12-22.1.

11 (a) This Code section shall apply only with respect to a trust that has or will have as its
12 initial corpus a policy or policies of life insurance insuring the life of the settlor.

13 (b) A trust subject to this Code section may be created by oral agreement of the settlor and
14 the trustee if such oral agreement is evidenced by one or more contemporaneously executed
15 documents dated and signed by the settlor which evidence:

16 (1) The identity of the settlor;

17 (2) The identity of the trustee;

18 (3) The identity or identities of the beneficiaries and the beneficial shares of the
19 beneficiaries where more than one;

20 (4) The general nature of the policy or policies of insurance which do or will constitute
21 the initial corpus of the trust; and

22 (5) Whether the trust is revocable or irrevocable.

23 (c) A trust created pursuant to this Code section shall terminate six months after its
24 creation unless sooner terminated by the settlor."

25 **SECTION 2.**

26 All laws and parts of laws in conflict with this Act are repealed.

H. B. 367 (SUB)